

**Introduced by Senator Correa**

February 9, 2010

---

An act to add Section 2951 to the Civil Code, relating to mortgage appraisals.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1000, as introduced, Correa. Mortgages and deeds of trust: portable appraisals.

Existing law governs mortgages and deeds of trust on real property.

This bill would provide that, except as otherwise provided by federal law, if a person has applied to a lender for a loan secured by a mortgage or deed of trust on owner-occupied residential real property and he or she provides to that lender a copy of a previously completed appraisal of the same residential real property that is the subject of the loan application and that appraisal meets specified criteria, that appraisal shall be accepted by that lender for purposes of determining whether to approve the loan application. This provision would also prohibit the lender from requiring the loan applicant to obtain a new appraisal of the property as a condition of approval of the loan.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 2951 is added to the Civil Code, to read:
- 2 2951. (a) Except as otherwise provided by federal law, if a
- 3 person has applied to a lender for a loan secured by a mortgage or
- 4 deed of trust on owner-occupied residential real property in this
- 5 state, and he or she provides to that lender a copy of a previously

- 1 completed appraisal of the property that meets the requirements
- 2 set forth in subdivision (b), both of the following shall apply:
- 3 (1) The appraisal shall be accepted by that lender for purposes
- 4 of determining whether to approve the loan application.
- 5 (2) The lender may not require the applicant to obtain a new
- 6 appraisal of the residential real property as a condition of approval
- 7 of the loan.
- 8 (b) An appraisal described in this subdivision shall comply with
- 9 all of the following:
- 10 (1) The appraisal shall be in compliance with the standards of
- 11 the Uniform Standards of Professional Appraisal Practice.
- 12 (2) The appraisal shall be an appraisal of the same residential
- 13 real property that is the subject of the loan application described
- 14 in subdivision (a).
- 15 (3) The appraisal shall have been completed not more than \_\_\_\_
- 16 months prior to the date of the loan application described in
- 17 subdivision (a).